

2008 Legislative Agenda

WIC for a Healthier, Stronger America – Protect the Backbone of Public Health Nutrition!

The President's FY 2009 Budget proposal, once again, threatens to harm WIC and the mothers and young children WIC serves. The President's proposals to cap nutrition services (NSA) funding, to cap Medicaid adjunctive eligibility, the failure to adequately anticipate participation growth, the lack of targeted MIS funding, and the non-existent contingency fund equal nothing less than un-served and underserved mothers and children.

WIC Is Critical for Families in Need

The Special Supplemental Nutrition Program for Women, Infants and Children – WIC – has improved children's health, growth and development, and prevented health problems for 33 years. WIC children enter school Ready to Learn, showing better cognitive performance. As the nation's premier public health nutrition program, WIC is a cost-effective, sound investment – insuring the health of our children. WIC serves over 8.5 million mothers, infants and children, nearly half of all America's infants and one-quarter of its children 1–5 years of age. Still, the National Academy of Sciences has found that there is significant unmet need and many WIC eligibles are unable to receive services due to funding constraints and infrastructure limitations.

Families Turn to WIC in Economic Crises

Families turning to WIC for nutrition assistance are vulnerable and at-risk. Economic crises compound their vulnerability. WIC food packages and the nutrition services that accompany them ensure that WIC mothers and young children stay healthy.

WIC caseload grew significantly between FY 2003 and 2004 by over 270,000 participants, and showed steady increases in FY 2005 (118,000) and FY 2006 (66,000). As the US economy has weakened and the cost of living, including the cost of food, increased, WIC caseload grew by nearly 200,000 mothers and young children. At the close of the first quarter of FY 2008, WIC caseload grew to over 8.5 million mothers and young children a 4.2% increase over the same quarter last year. There is every indication that as the economic slow-down lengthens, WIC caseload will continue to grow and likely reach 8.9 million participants by the close of FY 2009.

Just as families are buffeted by the challenges of the nation's economic ill health, the food packages WIC provides are subject to the costly effects of food cost inflation. USDA estimates FY 2008 WIC food cost inflation at 7.91%, and Economic Research Service (ERS) suggests that the retail prices for milk alone will be up 12%-13% in FY 2008 over last year. The President's budget assumes food cost inflation for FY 2009 at 2.3%, this on top of the growth in food prices last year.

NWA's mission: providing leadership to promote quality nutrition services; advocating for services for all 1 eligible women, infants and children; and assuring the sound and responsive management of WIC.

NWA Funding Recommendations

Fiscal Year 2009 Appropriation – NWA recommends a minimum FY 2009 funding level for WIC of \$6.63 billion to serve 8.9 million participants – providing for the anticipated food cost inflation, ensuring critical nutrition services (NSA) funding at the authorized average grant per person level of \$16.32, providing the full \$30 million in unencumbered statutory, essential management information systems (MIS) funding to assist with implementation of the long-awaited science-based changes to the WIC food packages, and \$150 million for a real Contingency Fund. WIC caseload and food costs should be closely monitored throughout the appropriations process to ensure that funding levels meet the required needs.

NWA's recommended funding level of \$6.63 billion is absolutely critical to:

- maintain current and anticipated WIC participation levels,
- prevent participant cuts,
- respond to continued high food cost inflation,
- implement the Institute of Medicine recommended, USDA approved, science-based nutritious food changes to the WIC Food Packages,
- offset declining infant formula rebates,
- · sustain quality nutrition services, and
- provide WIC with the tools to help fight the nation's epidemic of obesity and overweight.

NWA strongly opposes the President's proposal to cap nutrition services (NSA) funding at the FY 2007 national average grant per participant level of \$14.97 when by authorizing statute it should be \$16.32. This means that WIC will receive \$1.35 less for every mother and child to deliver critical, life-changing public health nutrition and social services. NSA resources are essential to prescribe and provide WIC food benefits and maintain program integrity.

- This repeat proposal to cap nutrition services (NSA) funding, wisely rejected by Congress
 for the last three years, would seriously erode benefits and services for participants, and
 irreparably damage effective state food and vendor cost containment measures.
- This proposal would reduce services for all mothers and children. States will be unable to further reduce per participant costs. If forced to operate under this budget proposal, every mother and child participating in WIC will be negatively impacted.
- NSA per-participant grant levels have remained at the same level in inflation adjusted terms for nearly two decades now. Capping the NSA grant would ultimately serve to undermine states' abilities to pursue aggressive and responsible cost containment efforts. Since 1989, the current system of calculating NSA funding levels based upon a per participant calculation has rewarded states that implemented sound and effective food cost containment measures, thereby assuring that more participants could be served with limited resources.

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- Nutrition services the centerpiece of WIC represent nutrition assessment, counseling and education, overweight and obesity prevention, breastfeeding support and promotion, prenatal and pediatric healthcare referrals and follow-up, spousal and child abuse referral, drug and alcohol abuse referral, immunization screening, assessment and referral, and a host of other client benefits. The President's proposed cap represents a significant cut in these benefits to WIC mothers and children.
- This proposal would seriously hamper states' mandated requirement to implement the long-awaited, science-based nutritious food changes to the WIC food packages.
- The Government Accountability Office (GAO) wrote in its 2001 report to Congress:

"Since the late 1980's . . . requirements have been placed on [WIC] aimed at, among other things, containing the cost of food benefits, promoting breastfeeding, encouraging immunizations, and controlling program abuse. While these requirements have placed additional service delivery and administrative demands on WIC staff, they have not been accompanied by more funding per participant; the NSA grant per participant was established in 1989 and since then has only been adjusted for inflation. There is also evidence that nonfederal support for NSA may have decreased since fiscal year 1992. Nor have the additional demands been offset by reductions in other responsibilities. WIC agencies have had to cut costs and make changes in service delivery that potentially will have a negative impact on the quality of WIC services (GAO-02-142, p. 31)."

Capping NSA as proposed by the President would fulfill GAO's prophecy of potential harm to WIC!

NWA urges Congress to provide \$30 million in unencumbered funds outside of the regular NSA grant to assure smooth, timely implementation of the science-based changes to the WIC food packages, implement MIS core functions, upgrade and maintain WIC technology systems, achieve program efficiencies and economies, and render systems EBT ready, fulfilling the WIC technology initiative, embodied in the Child Nutrition and WIC Reauthorization Act of 2004.

MIS funding is essential to assuring the success of vendor cost containment requirements and the implementation of mandated health changes to the WIC food packages -- essential to combating obesity and addressing nutrition and health risks of participants.

- Current, limited funding prevents more than half 51% of WIC state agencies from meeting USDA core functions including those critical for states to effectively manage grant funds and food cost containment efforts.
- \$30 million is only a down payment: "the cost of bringing WIC's essential program tasks up to standard in all states over the next 6 years is between \$147 million and \$267 million (GAO-02-142, p. 22)." Congress recognized the need to improve MIS systems and approved \$30 million annually for this purpose during WIC Reauthorization in 2004.

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NWA urges that Congress continue to save Medicaid funds by ensuring that all Medicaid recipients remain automatically income eligible for WIC. The President has again proposed a cap on Medicaid adjunctive eligibility at 250% of the federal poverty level. This proposal most directly affects HI, MD, MO, MN, NH, RI and VT.

- This proposal, wisely rejected three times by Congress, flies in the face of the Administration's purported efforts to reduce NSA costs by driving up the cost of doing WIC business for the seven states directly affected.
- While this proposal eliminates eligibility for only a small number of individuals, it will require
 affected states to accomplish duplicative income documentation for all Medicaid
 recipients applying for WIC, discouraging otherwise WIC eligible participants from
 applying if they feel that they may not be eligible, undermining the preventative impact
 of WIC, and adding unnecessary administrative burden.

NWA strongly supports the President's proposal to provide \$14.85 million for breastfeeding initiatives, \$13.86 million for infrastructure needs.

NWA strongly urges Congress to provide \$150 million to establish a real WIC Contingency Fund — essential to meet the demand for WIC services in situations of unpredictable caseload or food cost spikes. In each of the past three years, unforeseen economic circumstances have forced WIC to utilize contingency funds to assure that moms and young children are not turned away.

The "contingency fund" that the Administration claims to have restored in their budget proposal is actually assumed in their budget calculations to be fully used in the fiscal year to meet caseload needs. It is not a "contingency fund" at all – it is part of program outlays!

NWA urges Congress to provide \$5 million to support updated rigorous health outcomes research and evaluation documenting WIC's continued success.

NWA urges Congress to support publication of a final rule on the WIC Food Packages no later than September 2010 and include a mandated Institute of Medicine review of the Food Packages every 10 years in reauthorization of the WIC Program to prevent another 30-year wait for changes consistent with dietary science and guidelines.

NWA urges Congress to support the Breastfeeding Promotion Act, HR 2236, amending the 1964 Civil Rights Act to protect breastfeeding by new mothers, provide tax incentives for businesses that establish private lactation areas in the workplace, provide for a performance standard for breast pumps, and provide families with tax deductions for breastfeeding equipment.

NWA urges Congress to provide a minimum of \$6.63 billion in FY 2009 WIC funding to serve 8.9 million moms and young children, including \$30 million for MIS. NWA urges Congress to oppose the caps on nutrition services (NSA) funding and Medicaid adjunctive eligibility.

Keep WIC the cost-effective, sound investment it is – insuring our children's health.

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